

ORIGINAL

BINGHAM

REDACTED - FOR PUBLIC INSPECTION

Philip J. Macres
Phone: 202.373.6000
Fax: 202.373.6001
philip.macres@bingham.com

February 24, 2010

FILED/ACCEPTED

VIA HAND DELIVERY AND ECFS

FEB 24 2010

Ms. Marlene Dortch
Secretary
Federal Communications Commission
Room TW-325
445 12th Street, S.W.
Washington, D.C. 20554

Federal Communications Commission
Office of the Secretary

Re: REDACTED VERSION - Reply Comments of PAETEC Holdings Inc.;
TDS Metrocom LLC; U.S. TelePacific Corp. and Mpower
Communications Corp., both d/b/a TelePacific Communications; Masergy
Communications, Inc.; and New Edge Network, Inc., in WC Docket No.
05-25 and RM-10593

Dear Ms. Dortch:

In accordance with the Protective Order issued in WC Docket No. 05-25 and the Public Notice dated November 5, 2009 in the above-referenced proceedings, please find enclosed for filing an original¹ and four (4) **REDACTED** copies of the Reply Declaration of William Haas that is attached as Exhibit 2 to the Reply Comments of PAETEC Holdings Inc.; TDS Metrocom LLC; U.S. TelePacific Corp. and Mpower Communications Corp., both d/b/a TelePacific Communications; Masergy Communications, Inc.; and New Edge Network, Inc. Also attached are two additional copies of this Exhibit 2 Reply Declaration for filing in RM-10593. As a courtesy, a redacted version of this Exhibit 2 Reply Declaration is also being filed on ECFS in the above-referenced proceedings.

Pursuant to the Protective Order in WC Docket No. 05-25, we are filing one (1) copy of the Confidential version of this Exhibit 2 Reply Declaration under separate cover, and providing two (2) copies of the Confidential version to Margaret Dailey or Pam Arluk of the Wireline Competition Bureau.

¹ Exhibit 2 includes an electronic reproduction of the original signature as permitted by Commission rules.

No. of Copies rec'd 0+4
List ABCDE

Boston
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Walnut Creek
Washington

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806

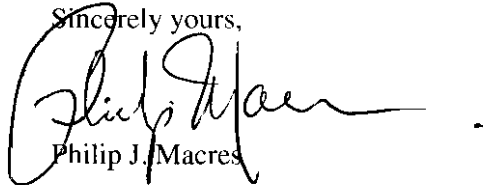
1 202.373.6000

REDACTED VERSION -- FOR PUBLIC INSPECTION

Ms. Marlene H. Dortch, Secretary
February 24, 2010
Page 2

Thank you for your attention to this correspondence. If you have any questions, please do not hesitate to contact me. Please confirm receipt of this filing by date-stamping the additional enclosed copy of this cover letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Philip J. Macres", followed by a small horizontal line.

Philip J. Macres

Enclosures

cc: Margaret Dailey, Pricing Policy Division (via email)
Best Copy and Printing, Inc. (via email)

REDACTED FOR PUBLIC INSPECTION

*Reply Comments of PAETEC, TDS, TelePacific, Masergy, and New Edge
WC Docket No. 05-25, RM-10593
February 24, 2010*

EXHIBIT 2

REDACTED FOR PUBLIC INSPECTION

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

FILED/ACCEPTED

In the Matter of)
)
Special Access Rates for Price Cap)
Local Exchange Carriers)
)
AT&T Corp. Petition for Rulemaking to Reform)
Regulation of Incumbent Local Exchange Carrier)
Rates for Interstate Special Access Services)

WC Docket No. 05-25

RM-10593

FEB 24 2010

Federal Communications Commission
Office of the Secretary

REPLY DECLARATION OF WILLIAM A. HAAS

I. INTRODUCTION

1. My name is William A. Haas. I currently serve as Vice President - Public Policy and Regulatory of PAETEC. PAETEC has three primary operating subsidiaries – PAETEC Communications, Inc., US LEC, and McLeodUSA Telecommunications Services, Inc. that all do business under the PAETEC name (hereinafter jointly referred to as “PAETEC”). I am submitting this Declaration to provide a factual basis for the comments and recommendations PAETEC is submitting on special access reform proposals currently being considered by the Federal Communications Commission (“FCC”) in the above-referenced dockets.

II. BACKGROUND

2. After graduating from law school in 1982, I began working for the Iowa State Commerce Commission as an Administrative Law Judge. In July 1983, the Iowa State Commerce Commission was restructured, and I became an Assistant General Counsel in the newly created Office of General Counsel, legal advisor to the re-named Iowa Utilities Board. In October 1984, I joined the Iowa Office of Con-

REDACTED FOR PUBLIC INSPECTION

sumer Advocate as an Assistant General Counsel working on electric, gas and telecommunications rate cases and other matters that came before the Iowa Utilities Board. In 1995, I accepted a position as an Assistant General Counsel with McLeod Telemanagement, Inc., which, in 1996, became McLeodUSA Incorporated, parent company of McLeodUSA Telecommunications Services, Inc., a certificated competitive local exchange carrier.

3. At McLeodUSA, I was initially responsible for state regulatory matters and providing legal support for vendor relations, including relations with the Regional Bell Operating Companies, and the Sales and Marketing organizations. In 2003, I became responsible for all regulatory compliance and public policy matters, as well as providing legal support to the Marketing, Sales and Finance organizations. In 2008, McLeodUSA was acquired by PAETEC. My primary responsibilities at PAETEC include federal and state public policy advocacy, regulatory compliance and vendor relations legal support.

III. PAETEC'S FACTUAL INFORMATION

4. The purpose of this declaration is to respond to certain incorrect or misleading factual assertions made by other parties in this proceeding regarding PAETEC and its facilities-based network capabilities and operations.
5. PAETEC currently has customers served via a fixed wireless solution in **[BEGIN CONFIDENTIAL ***** END CONFIDENTIAL]** of the 84 of the top 100 MSAs in which it offers telecommunications services. It should be noted that PAETEC offers services in many more markets that are smaller than those 84 MSAs. In those **[BEGIN CONFIDENTIAL ***** END CONFIDENTIAL]**

REDACTED FOR PUBLIC INSPECTION

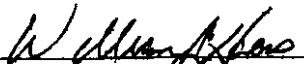
TIAL] MSAs, PAETEC has a total of [BEGIN CONFIDENTIAL *****
END CONFIDENTIAL] fixed wireless customers. PAETEC's fixed wireless solution serving [BEGIN CONFIDENTIAL ***** END CONFIDENTIAL] customer locations represents less than [BEGIN CONFIDENTIAL ***** END CONFIDENTIAL] of PAETEC's end user locations. The remainder of PAETEC end users are served via wireline access loops. Of those wireline loops, more than [BEGIN CONFIDENTIAL ***** END CONFIDENTIAL] of the access loops are leased from an ILEC using tariffed or contracted special access circuits or unbundled loops.

6. Accordingly, PAETEC's ability to reach 100% of its MSA coverage area via Ethernet utilizing existing partnership agreements is extremely dependent on the use of ILEC access loops for [BEGIN CONFIDENTIAL ***** END CONFIDENTIAL] of the locations within its serving area.
7. PAETEC owns and operates fiber facilities in various locations primarily in the Midwest and Southwest. Those fiber facilities primarily provide backhaul for PAETEC's traffic. Although PAETEC also operates a limited number of metro fiber rings, it has limited building connectivity. Of PAETEC's publicly-disclosed total of 1,918 fiber-fed buildings, only [BEGIN CONFIDENTIAL *** END CONFIDENTIAL] are end user locations (exclusive of public schools), and only [BEGIN CONFIDENTIAL ** END CONFIDENTIAL] of these locations are in any of the top 25 MSAs. The vast majority of PAETEC's fiber-fed buildings are regeneration huts, ILEC central offices (end office or tandem), POP sites or carrier hotels.

REDATED FOR PUBLIC INSPECTION

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed February 24, 2010


William A. Haas